



Thomas Hutchinson
Governor

On the night of December 16, 1773, the Sons of Liberty, dressed as Indians and carrying hatchets left Old South Meeting House along with a large and boisterous crowd of supporters. They marched to Griffin's Wharf, where the three tea ships were docked. The Sons of Liberty climbed aboard three tea ships and split open the 342 chests of tea and pushed them into the harbor.

From the ship's log of the *Dartmouth* : "Between six and seven o'clock this evening came down to the wharf a body of about one thousand people. Among them were a number dressed and whooping like Indians. They came on board the ship, and, after warning myself and the Customs House officer to get out of the way, they unlaid the hatches and went down to the hold, where was 80 whole and 34 half chests of tea, which they hoisted upon deck, and cut the chests to pieces, and hove the tea off overboard where it was damaged and lost."

They dumped 342 chests of tea. The losses mounted to more than £18,000 sterling. On today's market the tea would sell for over a million dollars.

The next day Revere rode to New York and Philadelphia with news of the Tea Party, departing without any sleep after he had spent the night dumping tea into the harbor.

Mural of Boston Tea Party

One of a group of five murals at the Massachusetts State House by Robert Reid

Courtesy of the Massachusetts Arts Commission

"The boldest stroke which had yet been struck in America"

**COMMONWEALTH OF MASSACHUSETTS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 1995**

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for the financial resources used to acquire or construct major capital assets and to finance local capital projects.

General - to account for proceeds of bonds sold to fund the construction or acquisition of capital assets for general Commonwealth purposes, excluding highway construction and projects targeted for specific localities or purposes.

Highway - to account for the proceeds of bonds sold to finance construction of state highways and to fund the Commonwealth's share of federally-sponsored highway construction.

Federal Highway Construction - to account for federal highway construction projects which, with the Commonwealth's required share of matching funds, finance interstate highways and similar projects within Massachusetts to promote a nationwide highway system.

Local Aid - to account for the proceeds of bonds sold to finance the construction of correctional facilities, water pollution abatement projects and other local projects in specific localities of the Commonwealth.

Other - to account for the proceeds of bonds sold to finance land acquisition for economic development, preservation and recreational purposes, and other capital projects.

COMMONWEALTH OF MASSACHUSETTS
COMBINING BALANCE SHEET -
CAPITAL PROJECTS FUNDS
JUNE 30, 1995
(Amounts in thousands)

	<u>General</u>	<u>Highway</u>
<u>ASSETS</u>		
Cash and short-term investments	\$ 0	\$ 0
Restricted investments		
Receivables, net of allowance for uncollectibles:		
Due from federal government		
Other receivables		
Due from other funds		
	<u> </u>	<u> </u>
Total assets	\$ <u>0</u>	\$ <u>0</u>
<u>LIABILITIES AND FUND BALANCES</u>		
Liabilities:		
Accounts payable	\$ 51,407	\$ 81,670
Accrued payroll	330	641
Compensated absences	488	3,556
Due to other funds	49,033	154,060
Due to component unit	32	
Due to federal government		
Deferred revenue		
Claims and judgments		
Bonds and notes payable		
	<u> </u>	<u> </u>
Total liabilities	<u>101,290</u>	<u>239,927</u>
Fund balances (deficits):		
Reserved for claims and judgments		
Unreserved	<u>(101,290)</u>	<u>(239,927)</u>
Fund balances (deficits)	<u>(101,290)</u>	<u>(239,927)</u>
Total liabilities and fund balances	\$ <u>0</u>	\$ <u>0</u>

Federal Highway Construction	Local Aid	Other	Totals	
			1995	1994
\$ 0	\$ 0	\$ 0	\$ 0	\$ 2,636 83,319
121,584			121,584	155,301
871			871	1,271
22,975			22,975	20,632
\$ 145,430	\$ 0	\$ 0	\$ 145,430	\$ 263,159
\$ 144,199	\$ 13,965	\$ 632	\$ 291,873	\$ 305,902
254	45	1	1,271	1,980
3			4,047	3,799
	41,855	489	245,437	170,604
	6,526		6,558	18,180
233			233	
596			596	880
				3,715
				49,062
145,285	62,391	1,122	550,015	554,122
145	(62,391)	(1,122)	(404,585)	83,319 (374,282)
145	(62,391)	(1,122)	(404,585)	(290,963)
\$ 145,430	\$ 0	\$ 0	\$ 145,430	\$ 263,159

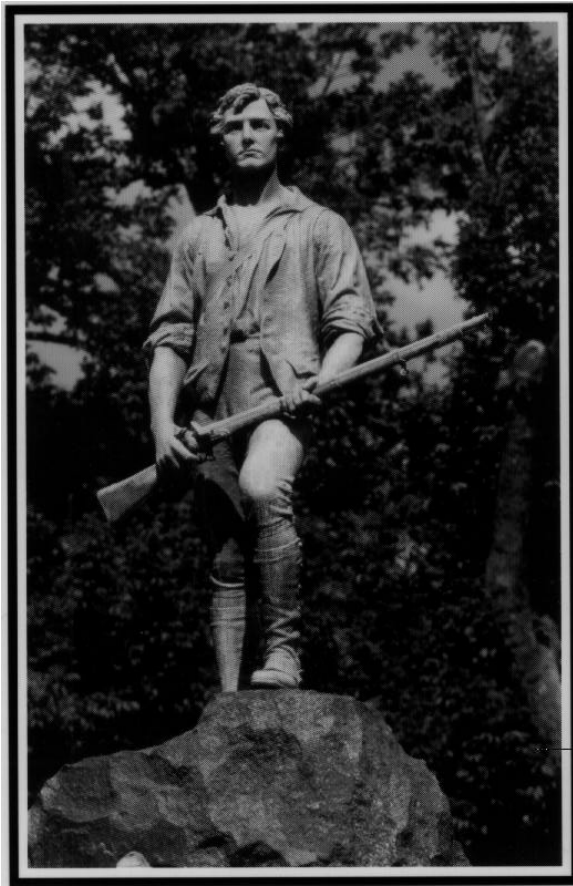
COMMONWEALTH OF MASSACHUSETTS
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -
CAPITAL PROJECTS FUNDS
FISCAL YEAR ENDED JUNE 30, 1995
(Amounts in thousands)

	General	Highway
Revenues:		
Federal grants and reimbursements	\$ 1,459	\$ 0
Departmental		
Miscellaneous		
Total revenues	1,459	
Other financing sources:		
Proceeds of general obligation bonds	332,574	368,911
Proceeds of refunding bonds	262,172	193,561
Operating transfers in		
Other	34,114	11,312
Total other financing sources	628,860	573,784
Total revenues and other financing sources	630,319	573,784
Expenditures:		
Capital outlay:		
Local aid		
Capital acquisition and construction	225,011	365,695
Total expenditures	225,011	365,695
Other financing uses:		
Payments to refunded bond escrow agent	262,172	193,561
Operating transfers out	3,139	169,133
Transfers of bond proceeds	22,938	
Transfers to component units	5,657	
Total other financing uses	293,906	362,694
Total expenditures and other financing uses	518,917	728,389
Excess (deficiency) of revenues and		
 other financing sources over		
 expenditures and other financing uses	111,402	(154,605)
Fund balances (deficits) at beginning of year	(212,914)	(85,852)
Equity transfer	222	530
Fund balances (deficits) at end of year	\$ (101,290)	\$ (239,927)

			Totals	
Federal Highway Construction	Local Aid	Other	1995	1994
\$ 948,828	\$ 0	\$ 0	\$ 950,287	\$ 944,738
				629
76			76	2,033
948,904			950,363	947,400
	106,073	2,304	809,862	690,206
	47,305	10,584	513,622	835,796
160,442			160,442	152,542
	195	3,441	49,062	35,371
160,442	153,573	16,329	1,532,988	1,713,915
1,109,346	153,573	16,329	2,483,351	2,661,315
	94,301		94,301	100,105
1,105,170		1,905	1,697,781	1,463,602
1,105,170	94,301	1,905	1,792,082	1,563,707
	47,305	10,584	513,622	835,796
7,352	53		179,677	169,965
			22,938	15,324
	3,392		9,049	2,195
7,352	50,750	10,584	725,286	1,023,280
1,112,522	145,051	12,489	2,517,368	2,586,987
(3,176)	8,522	3,840	(34,017)	74,328
83,682	(70,917)	(4,962)	(290,963)	(365,291)
(80,361)	4		(79,605)	
\$ 145	\$ (62,391)	\$ (1,122)	\$ (404,585)	\$ (290,963)

“It seemed as if men came down from the clouds.”

A letter from Boston
April 19, 1775



Immediately after the Boston Tea Party Parliament retaliated by passing laws known as the Intolerable Acts. One act closed the port of Boston until the tea had been paid for. Another act severely restricted representative government in Massachusetts, effectively putting Massachusetts under military rule. Sympathetic colonies sent provisions, money and clothing to Boston.

John Hancock was appointed to head the Committee of Safety, an underground network of militia to prepare for a confrontation with the British forces. The colonists quickly organized their most capable men into groups that could be assembled within minutes. These forces were known as Minutemen.

On the night of April 18, 1775 the British made their move. General Gage had decided to seize militia supplies at Concord. British soldiers silently made their way to the beach where boats were ready to take them across the harbor. Dr. Joseph Warren, head of the colonists' spies in Boston, learned of the movement. Warren called two of his couriers, Paul Revere and William Dawes, and gave them orders. They rode to Lexington by different routes, alerting the militia along the way.

The Minuteman Statue on the Town Common in Lexington

Courtesy of the Massachusetts Office of Travel and Tourism

**COMMONWEALTH OF MASSACHUSETTS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FISCAL YEAR ENDED JUNE 30, 1995**

INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the risk financing and Insurance related activities of the Commonwealth.

Employees Workers Compensation - Accounts for the activities of the Commonwealths self Insurance program for Workers Compensation for state employees.

Central Artery Workers Compensation - Accounts for the Commonwealth Insurance Program for all contractors and sub contractors on the Commonwealth's Central Artery/ Third Harbor Tunnel Project.

Employees Group Health Insurance - Accounts for the Commonwealth Group Health and life Insurance programs for Commonwealth Employees and Retirees.

COMMONWEALTH OF MASSACHUSETTS
COMBINING BALANCE SHEET -
INTERNAL SERVICE FUNDS
JUNE 30, 1995

(Amounts in thousands)

	Employees Workers Compensation	Central Artery Workers Compensation	Employees Group Health Insurance	Total 1995
ASSETS				
Restricted investments	\$ 0	\$ 162,391	\$ 0	\$ 162,391
Assets held in trust			18,620	18,620
Due from other funds	28,367			28,367
Total assets	\$ 28,367	\$ 162,391	\$ 18,620	\$ 209,378
LIABILITIES AND FUND EQUITY				
Liabilities:				
Claims and judgments	\$ 299,167	\$ 65,000	\$ 68,630	\$ 432,797
Total liabilities	299,167	65,000	68,630	432,797
Fund equity:				
Retained earnings:				
Reserved for central artery workers compensation		97,391		97,391
Unreserved	(270,800)		(50,010)	(320,810)
Total fund equity	(270,800)	97,391	(50,010)	(223,419)
Total liabilities and fund equity	\$ 28,367	\$ 162,391	\$ 18,620	\$ 209,378

COMMONWEALTH OF MASSACHUSETTS
COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN RETAINED EARNINGS -
INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED JUNE 30, 1995
(Amounts in thousands)

	Employees Workers Compensation	Central Artery Workers Compensation	Employees Group Health Insurance	Total 1995
Operating revenues:				
Premiums	\$ 50,209	\$ 84,296	\$ 622,336	\$ 756,841
Total operating revenues	50,209	84,296	622,336	756,841
Operating expenses:				
Claims and judgments	46,866	11,209	617,867	675,942
Change in incurred but not reported claims	(30,557)	(20,955)	4,479	(47,033)
Net claims and judgments	16,309	(9,746)	622,346	628,909
Operating income	33,900	94,042	(10)	127,932
Nonoperating revenues:				
Interest income	0	5,985	0	5,985
Nonoperating revenues		5,985		5,985
Net income	33,900	100,027	(10)	133,917
Retained earnings at beginning of year	0	0	0	0
Equity transfer	(47,900)	80,684	(48,500)	(15,716)
Balance from general long-term obligations	(256,800)	(83,320)	(1,500)	(341,620)
Retained earnings at end of year	\$ (270,800)	\$ 97,391	\$ (50,010)	\$ (223,419)

COMMONWEALTH OF MASSACHUSETTS
COMBINING STATEMENT OF CASH FLOWS -
INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED JUNE 30, 1995
(Amounts in thousands)

	Employees Workers Compensation	Central Artery Workers Compensation	Employees Group Health Insurance	Total 1995
Cash flows from operating activities:				
Operating income (loss)	\$ 33,900	\$ 94,042	\$ (10)	\$ 127,932
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:				
Change in assets and liabilities:				
Assets held in trust			(4,469)	(4,469)
Due from other funds	3,343			3,343
Claims and judgments, net	(37,243)	62,364	4,479	29,600
Total adjustments	(33,900)	62,364	10	28,474
Net cash provided by (used for) operating activities		156,406		156,406
Cash flows from investing activities:				
Purchases of restricted investments		(162,391)		(162,391)
Interest income		5,985		5,985
Net cash provided by (used for) investing activities		(156,406)		(156,406)
Net increase (decrease) in cash and cash equivalents	0	0	0	0
Cash and cash equivalents at beginning of year	0	0	0	0
Cash and cash equivalents at end of year	\$ 0	\$ 0	\$ 0	\$ 0
Noncash investing, capital and noncapital, and financing activities:				
Beginning of year liability and equity transfer from the governmental funds and the expendable trust fund.	\$ (47,900)	\$ 80,684	\$ (48,500)	\$ (15,716)
Transfer of beginning of year liability from the general long-term obligation account group.	\$ (256,800)	\$ (83,320)	\$ (1,500)	\$ (341,620)